



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

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## Indonesia

### Grain and Feed

### Corn Update

### 2006

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**Report Highlights:**

Post reduced the MY 05/06 Indonesian corn production estimate to 6.9 million tons due to lower than expected output from the first and main harvest. Prices of domestic corn are above the landed price of imported corn, and imports are expected to reach 1 million tons in MY 05/06.

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Includes PSD Changes: Yes  
Includes Trade Matrix: No  
Unscheduled Report  
Jakarta [ID1]  
[ID]

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## CORN

### Production

Post lowered the corn production estimate for MY 05/06 from previously 7.5 million tons to 6.9 million tons as a result of a prolonged rainy season and lack of fertilizers that led to crop damage, reduced quality, hindered drying and reduced output in key producing areas.

Production is expected to rebound to 7.2 million tons in MY 06/07 due to slight area expansion, increased use of hybrid seeds and solid demand from the feed industry.

### Trade

In line with the expected loss in production, the demand for corn from feed industry will be met by imports, now estimated to reach 1 million tons for MY05/06. Major suppliers of corn to Indonesia are Argentina and United States. Recent sales of about 350,000 MT are the first substantial U.S. sales in five years.

### Price

Currently, the price of domestic corn is Rp.1,600/kg (US\$ 180/ton, at an exchange rate of Rp. 8,895/US\$ 1) compared to Rp 1,450/kg (US\$ 163/ton) in April. The landed price of imported corn from U.S. is about US\$ 150/ton.

The current price for layer feed is Rp. 1,975/kg (US\$ 222/ton) up from Rp. 1,875/kg (US\$ 210.7/ton) in March while the price of starter broiler feed currently is Rp. 2,760/kg (US\$ 310.3/ton) up from Rp. 2,660/kg (US\$ 299/ton) in March. The price of finisher broiler feed has also increased to Rp. 2,660/kg (US\$ 299/ton) compared to Rp. 2,550/kg (US\$ 286.7/ton) in March.

## PSD TABLE: CORN

PSD Table						
Country	Indonesia					
Commodity	Corn				(1000 HA)(1000 MT)	
	2004	Revised	2005	Estimate	2006	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		10/2004		10/2005		10/2006
Area Harvested	3300	3300	3310	3310	3400	3400
Beginning Stocks	979	979	774	829	724	769
Production	7200	7200	7000	6900	7500	7200
TOTAL Mkt. Yr. Imports	541	600	800	1000	400	800
Oct-Sep Imports	541	600	800	1000	400	800
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	8720	8779	8574	8729	8624	8769
TOTAL Mkt. Yr. Exports	46	50	50	60	50	60
Oct-Sep Exports	46	50	50	60	50	60
Feed Dom. Consumption	3700	3700	3900	4000	4200	4200
TOTAL Dom. Consumption	7900	7900	7800	7900	8000	8000
Ending Stocks	774	829	724	769	574	709
TOTAL DISTRIBUTION	8720	8779	8574	8729	8624	8769

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